

NAME: _____

**2014 PROPERTY TAX LEGISLATION
SELF STUDY SESSION**

REVIEW QUESTIONS

1. Except where the law provides a specific exemption, the property tax applies to all property—both real and personal. The law specifically exempts business inventories and supplies.
☐ True
☐ False
2. The Constitution authorizes the Legislature to statutorily exempt personal and real property from property taxation with a two-thirds vote of each legislative house.
☐ True
☐ False
3. Assembly Bill 777 exempts space flight property from property taxation retroactive to January 1, 2014.
☐ True
☐ False
4. Proposition 13 does not apply to personal property, which is valued each lien date at its current fair market value.
☐ True
☐ False
5. Property Tax Rule 133 contains the provisions for the _____ exemption from property taxation.
6. Assembly Bill 1143 amended Revenue and Taxation Code section 402.5 to substitute the term "lien date" for "valuation date" in reference to selecting comparable sales to estimate a property's value.
☐ True
☐ False

7. Assembly Bill 1760 added Revenue and Taxation Code section 214.07 to create a rebuttable presumption that any funds from payments under a PILOT agreement entered into before January 1, 2015 are used to maintain affordability or reduce rents.
- ☐ True
☐ False
8. A _____ agreement means any agreement entered into between a local government and a property owner of a low-income housing project to pay the local government for lost property tax revenues.
9. On or after January 1, 2015, the provisions of Assembly Bill 1760 and Senate Bill 1203 prohibit [Mark all that apply]:
- ☐ Escape assessments made on a property subject to a PILOT agreement when payments were used in an incompatible manner regarding the use of property tax savings.
- ☐ Supplemental assessments imposed on a property subject to a PILOT agreement when payments were used in an incompatible manner regarding the use of property tax savings.
- ☐ Cancellation of any outstanding ad valorem tax, interest, or penalty that was levied between January 1, 2012 and January 1, 2015 as a result of a PILOT agreement being cancelled.
- ☐ Refund of any previously paid taxes between January 1, 2012 and January 1, 2015 as a result of a PILOT agreement being cancelled.
- ☐ All of the above
10. The PILOT conclusive presumption certification that must be made by operators of low-income housing facilities is contained in Revenue and Taxation Code section _____.
11. Revenue and Taxation Code section 73 was amended effective June 20, 2014 to extend the property tax new construction exclusion for active solar energy systems through the 2023-24 fiscal year.
- ☐ True
☐ False
12. Pursuant to Revenue and Taxation Code section 71, when new construction replaces certain types of existing improvements, the value attributable to those preexisting improvements is deducted from the property's existing base year value.
- ☐ True
☐ False
13. Revenue and Taxation Code section _____ provides a new construction exclusion for disabled access improvements for all property types.

14. An active solar energy system that qualifies for the new construction exclusion may include [Mark all that apply]:
- ☐ Power conditioning equipment
 - ☐ Transfer equipment
 - ☐ Furnaces that use a source of power other than solar energy
 - ☐ Storage devices
 - ☐ Spare parts for installation of the system
 - ☐ Pipes and ducts used exclusively to carry energy derived from solar energy
 - ☐ All of the above
15. The solar energy new construction exclusion does not apply to solar swimming pool heaters or hot tub heaters.
- ☐ True
 - ☐ False
16. Revenue and Taxation Code section 73 creates a new construction exemption for an active solar energy system.
- ☐ True
 - ☐ False
17. Active solar energy systems owned by public utilities and subject to BOE assessment do not benefit from the section 73 new construction exclusion.
- ☐ True
 - ☐ False
18. Senate Bill 1113 increases the number of years open to claim a refund for the Disabled Veterans' Exemption to eight years after January 1, 2015.
- ☐ True
 - ☐ False
19. Revenue and Taxation Code section _____ provides that the Welfare Exemption applies to certain low-income rental housing properties.
20. Senate Bill 1203 and Assembly Bill 1760 specify that a partial property tax exemption for low-income housing will be determined using a calculation based on the number of housing units.
- ☐ True
 - ☐ False

21. For the Welfare Exemption for low-income housing, "related facilities" means [Mark all that apply]:
- ☐ Clubhouse space
 - ☐ Laundry facilities
 - ☐ Patios
 - ☐ Commercial space
 - ☐ Balconies
 - ☐ Walkways
 - ☐ All of the above
22. Units in a housing facility that are designated as low-income units cannot qualify for property tax exemption if they are vacant on the lien date.
- ☐ True
 - ☐ False
23. Revenue and Taxation Code section _____ provides that, under certain circumstances, a change in ownership does not include the transfer of a home from a parent to a child or from a guardian to a ward.
24. The county board of supervisors in _____ counties meet as the county board of equalization.
25. The term "nonprofit organization" also includes foundations, trusts, associations, and limited liability companies for purposes of defining state park operators.
- ☐ True
 - ☐ False
26. The _____ grants participating local governments (cities and counties) the authority to enter into contracts with a qualified historical property owner to enforceably restrict the property's use.
27. Assembly Bill 1888 deletes the requirement, upon request, that the amount of documentary transfer tax due be shown on a separate paper affixed to the document.
- ☐ True
 - ☐ False
28. Effective July 1, 2016, the property tax postponement program is reinstated for senior citizens and disabled citizens if the household income does not exceed \$35,000.
- ☐ True
 - ☐ False

29. The State-County Assessors' Partnership Agreement Program creates a three-year pilot program where ten counties will receive funding for certain property tax administration purposes.

☐ True

☐ False

30. Military Code Section 890.3 pertains to the _____
property tax exemption.